

**Plan for Reorganization
and
Performance Improvement Strategies
for
The Mississippi Department of Human Services**



December 8, 2004



**DHS
114450**

Division of Family & Children's Services

Division Director's Office

- a. Deputy Director's responsibilities should be redirected. It is recommended that a Deputy Director be directly responsible for the Regional Directors. Currently there are 9 Regions; it is recommended that this number be reduced to 7.
- b. A Deputy Director will directly assume state office responsibilities along with MACWIS and the Performance Improvement Plan (PIP). This will require MACWIS and the PIP to have a direct manager.

Placement

Adoption	Foster Home Licensure
Therapeutic Licensure	Adoptive Home Licensure
Therapeutic Placements	Independent Living
Unaccompanied Refugees Minor	Termination of Paternal Rights
Adoption Subsidy Payments	Interstate Compact

- a. Organize all licensure functions under one manager to ensure effective delegation of resources. This will involve moving and consolidating staff throughout the state while creating one direct manger position.
- b. Licensed Social Workers (LSWs) are used for licensure adoptions while Program Specialist are performing the same licensure function in Foster Homes. Flexibility is needed to evaluate and determine the optimum use of these job classes. An example may be to utilize LSWs in direct social worker duties while allowing unlicensed workers to recruit, train and license facilities.
- c. Assess the Independent Living and Unaccompanied Refugees Minor functions. Both are currently privatized through non-profit organizations. It is imperative that observable and measurable results are satisfied while maximizing current expenditures. Flexibility is required to enable the division to reorganize this area with the people and tools once a determination is complete.
- d. Move the Eligibility Determination function from the Administration Unit to the Placement Unit.

Protection and Prevention

Protection

Foster Care Review	Adult Protection
Child Abuse and Adult Hot Line	Central Registry
Training	Child Fatality Review

Prevention

Family First Resource Centers	Children's Justice Act
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Children's Trust Fund	Promoting Safe & Stable Families
Project Homestead	Respite Grants
Citizen's Review Board	Family Preservation
Community Based Services (Child Abuse Prevention)	

- a. Combine Protection and Prevention into a single unit.
- b. Assess each position to ensure skill sets for maximum productivity.
- c. Create a Quality Assurance Unit using the current Prevention Director's position. The unit will also include Foster Care Review, Training, Complaints, Child Welfare Institute, AFCARS/NCANDS and Reporting. This will involve an assessment and transition of staff and responsibilities.
- d. Assess opportunities to better fund and manage Family Preservation. Replace TANF funds with other funding sources, such as, Promoting Safe and Stable Funds. Place unit under the director of local county operations.

Administration

Budgets	Eligibility Determination
Therapeutic Contracts & Payments	Emergency Contracts & Payments
AFCARS/NCANDS Reporting	Complaints
Grants Management & Reporting	Purchasing & Procurement
SSBG State Plan & Reporting	Division Travel
Strategic Plan	Foster Care Payroll

- a. Create a contracts function to ensure state, federal and agency compliance.
- b. Move the Eligibility Determination function to the Placement Unit. Assess individual roles and responsibilities to determine the level of staff required.
- c. Move AFCARS/NCANDS and Reporting to the new Quality Assurance Unit.
- d. Assess support services functions that may be pushed up to the Budgets and Accounting Division.

REASONS FOR COMING OUT FROM UNDERNEATH THE STATE PERSONNEL BOARD

A change was made in the Child Care Director (non state service position). As a result two duplicate systems have been combined into one, federal Child Care Development (CCDF) funds have been maximized, new policies have been implemented to maximize state general funds and reduce administrative costs. A comparable number of certificates will be issued this year with approximately \$6 million less money.

A new Director was selected for the Division of Economic Assistance. Food Stamp and TANF error rates have decreased, TANF participation rates have increased and a \$27 million over-obligation of TANF funds has been brought under control. New innovative policies have been implemented to empower TANF Work program participants and achieve greater results with fewer dollars.

A new Child Support Enforcement Director and two Bureau Directors have been hired resulting in increased productivity and efficiency including meeting the required paternity establishment rate for the first time in three years. There are significant penalties to the TANF Grant associated with failure to meet this requirement.

The division where the Bureau Directors and other supervisory employees are state service, the Division of Family and Children's Services, has not enjoyed this success. The only area that has achieved success is adoption which is headed by an employee with time-limited status.

Not having the ability to make replacements below the division head level in this division has resulted in an extraordinary amount of time being taken to build cases against employees who through their incompetence and inaction have cost the state millions of dollars and placed the agency in a perilous position with our federal agencies.

Examples of these actions/inactions include:

The IV-E Child Welfare Institute is a disaster. The contract was allowed to expire, no costs were submitted and vital training services and social worker development provided by the universities are not being provided.

The IV-E penetration rate is 44%. National average is approximately 60%. Repeated efforts by our federal partners to advise and assist the state have gone unheeded resulting in a loss of federal funds that have to be replaced with state funds.

The Advanced Planning Document (APDU) for MACWIS was not submitted to the federal officials as required resulting in the threat of further sanctions against the IV-E grant. A phone call by the Executive Director with federal officials indicated that it was their first contact with Mississippi in four years.

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A IV-E Wavier project had to be abandoned because it was not implemented timely or correctly resulting in not only a loss of cost neutrality but sanctions to the already suffering IV-E grant.

A \$200,000 grant was returned to the federal government with no funds expended. The Division of Budgets and Accounting had made F&CS management aware of this possibility in January and still no action was taken. The contractor providing independent living services was never notified or given the opportunity to expend the funds; therefore, services were lost.

More examples can be given but this should be sufficient to support our position.

TANF

- September 2001 the agency's TANF surplus was \$57,100,038
- September 2002 the agency's TANF surplus was \$4,485,652
- September 2003 the agency's TANF surplus was \$0
- During fiscal year 2004 the agency was over obligated by \$24,000,000 which was corrected prior to the end of the fiscal year
- September 2004 the agency's TANF surplus was \$784,430
- The agency does not expect any surplus for the fiscal year ending September 2005

Current TANF Work Program:

- Twenty hours in a countable work activity for clients with a child under age six
- Client is exempt from work activities if a child is under age one
- Thirty hours for all other non exempt clients
- Mandatory work participation rate is 16% with the caseload reduction
- Current work participation rate is 23%

Proposed TANF Work Program Changes with Reauthorization:

- No work exemptions allowed and full engagement required for all clients
- Mandatory work participation rate of 70% with no caseload reduction available
- All clients must participate forty hours per week in countable work activities
- Resulting increases in supportive services, i.e., child care and transportation cost
- Proposed decrease in the basic TANF block grant and possibility of no longer funding the supplemental grant which provides \$9,000,000 for Mississippi

- Arkansas which currently has a \$60,000,000 TANF surplus is concerned about adequate funding to meet the proposed mandates. As demonstrated above, Mississippi has no TANF surplus
- Under TANF reauthorization if the full grant went to fund supportive services to meet full engagement participation, other projects currently funded by TANF such as Adolescent Offender Programs, Family Preservation, Family First Resource Centers and basic child protective services would have to be reduced and/or eliminated

***MDHS-Family & Children Services
Moving Towards High Performance
Business Strategy White Paper
December 8, 2004***

Many state organizations are bogged down in a culture of the old excuse "this is the way we have always done business." It is the goal of Mississippi Department of Human Services (MDHS) to change this way of thinking by creating a high performance organization. The time is right for MDHS – Division of Family and Children Services (FCS) to look outside of the box, to look at how a state organization can be more efficient and effective while still providing quality services to all taxpayers.

The first requirement necessary to effectively implement change is support from senior leadership. In state government that includes the Governor, Legislature and Executive Director.

With the support of the top leadership, the next requirement for change is flexibility. Flexibility to reorganize both positions and people. In order to successfully implement this change, it is a necessity for MDHS to be removed from State Personnel Board authority for FY06.

Current Model

FCS's current organizational model is a traditional one that includes simple, narrowly defined jobs, division of labor that keeps different functions separate, and one best way to do a job. The problem this creates is that work is fragmented in such a way that people do not see or feel responsibility for a "whole process." Employees over by identify with their own jobs and fail to understand or promote the overall good of the organization or the customer they serve, both internally and externally. This leads to poor communication, redundancies of effort, turf battles, delays in decision-making, and general inefficiency.

The current FCS organization includes the Division Director's Office, Administration, Placement, Prevention, and Protection. Many functions within these areas overlap each other. FCS lacks a clear big picture view that ensures all resources (people and money) are being fully utilized.

Division Director's Office

The FCS Director currently supervises fourteen (14) hires. Accepted management principles indicate that for a manager to be most effective, it is recommend that the span of control be limited to four (4) to seven (7) subordinates.

Recommendations:

- a. Deputy Director's responsibilities should be redirected. It is recommended that a Deputy Director be directly responsible for the Regional Directors. Currently there are 9 Regions; it is recommended that this number be reduced to 7.
- b. A Deputy Director will directly assume state office responsibilities along with MACWIS and the Performance Improvement Plan (PIP). This will require MACWIS and the PIP to have a direct manager.

Placement

This unit's management system is minimum. Basically, everyone reports directly to the unit director. This unit's functions include:

Adoption	Foster Home Licensure
Therapeutic Licensure	Adoptive Home Licensure
Therapeutic Placements	Independent Living
Unaccompanied Refugees Minor	Termination of Paternal Rights
Adoption Subsidy Payments	Interstate Compact

The above list represents several examples of overlap. Note multiple licensure functions.

Recommendations:

- a. Organize all licensure functions under one manager to ensure effective delegation of resources. This will involve moving and consolidating staff throughout the state while creating one direct manger position.
- b. Licensed Social Workers (LSWs) are used for licensure adoptions while Program Specialist are performing the same licensure function in Foster Homes. Flexibility is needed to evaluate and determine the optimum use of these job classes. An example may be to utilize LSWs in direct social worker duties while allowing unlicensed workers to recruit, train and license facilities.
- c. Assess the Independent Living and Unaccompanied Refugees Minor functions. Both are currently privatized through non-profit organizations. It is imperative that observable and measurable results are satisfied while maximizing current expenditures. Flexibility is required to enable the division to reorganize this area with the people and tools once a determination is complete.
- d. Move the Eligibility Determination function from the Administration Unit to the Placement Unit.

Protection and Prevention

Both of these units have hodge-podge functions. They include:

Protection

Foster Care Review	Adult Protection
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Training	Child Fatality Review

Prevention

Family First Resource Centers	Children's Justice Act
Children's Trust Fund	Promoting Safe & Stable Families
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Community Based Services (Child Abuse Prevention)	

Recommendations:

- a. Combine Protection and Prevention into a single unit.
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- c. Create a Quality Assurance Unit using the current Prevention Director's position. The unit will also include Foster Care Review, Training, Complaints, Child Welfare Institute, AFCARS/NCANDS and Reporting. This will involve an assessment and transition of staff and responsibilities.
- d. Assess opportunities to better fund and manage Family Preservation. Replace TANF funds with other funding sources, such as, Promoting Safe and Stable Funds. Place unit under the director of local county operations.

Administration

This unit provides support functions to FCS. Functions include:

Budgets	Eligibility Determination
Therapeutic Contracts & Payments	Emergency Contracts & Payments
AFCARS/NCANDS Reporting	Complaints
Grants Management & Reporting	Purchasing & Procurement
SSBG State Plan & Reporting	Division Travel
Strategic Plan	Foster Care Payroll

Recommendations:

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- d. Assess support services functions that may be pushed up to the Budgets and Accounting Division.

Closing Comments:

There is considerable resistance to change in any organization. In today's economy an organization must be concerned about not changing or it may be left behind. Communications with our federal and community partners have provided evidence that

FCS staff are very resistant to change, ensuring that any new ideas or solutions are derailed before they are fully evaluated.

Our goal is not to eliminate any one position. Rather, the goal is to become more focused in maximizing and increasing our current levels of service with existing funds. This means assessing each position to determine job skills and abilities for a better job fit. Benefits for the State include manageable caseloads, maximum penetration rate of Federal dollars and more productive employees.

It is imperative that MDHS possess the flexibility to move, relocate, and reorganize to obtain maximum best results. The most effective process to achieve this goal begins with MDHS' removal from State Personnel Board authority for FY06.

DHS
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Reorganizational Plans If MDHS Were Removed from State Personnel Board Authority

The Mississippi Department of Human Services is currently burdened with organizational ineffectiveness and overlapping and duplicated units. This has created an organization that has fragmented lines of communication and disparity among programmatic divisions.

The following points are presented as the first, and most critical, areas of concern to be addressed:

- a. Standardize the regional structures of the programmatic divisions. Reduce all divisions to 7 regions.
- b. Create generic Regional Director positions to manage the functions of two (or possibly all) of the programmatic functions within the newly created balanced regions.
- c. Reduce redundant management in state office and programmatic divisions. For example, Economic Assistance indicates in their organizational chart that a Division Director II supervises a Secretary, Program Specialist and a Division Director I. The Division Director I supervises ten (10) subordinate personnel. One of the Division Director positions is redundant management. Re-assign reduced positions to direct service roles.
- d. Review functional units of all divisions to identify opportunities to combine smaller units with similar functions. For example, Family and Children's Services employs three (3) separate units for licensure of specific homes. The three units can be combined into one unit with potentially less people and definitely less management. Re-deploy reduced positions to direct service roles.
- e. Review spans of control of managers throughout the Department. Adjust where necessary to create logical, manageable spans of control. For example, the Area Social Work Supervisor for Union and Lee counties supervises twelve (12) positions while the Area Social Work Supervisor for Monroe county supervises five (5) positions. Re-assign reduced positions to direct service roles.

The implementation of changes outlined above will begin a process of streamlining the Department as a whole. The outcome of successful implementation will be:

- (1.) Agency-wide cost savings.
- (2.) Vastly improved service delivery.
- (3.) Increased employee morale.
- (4.) Improved internal communication and effectiveness.